

**Testimony to the House Committee on Appropriations
In Favor of H.B. 2534, H.B. 2535 and H.B. 2536**

February 13, 2020

Chairman Waymaster and members of the Committee:

We are providing this testimony in favor of HB 2534, HB 2535, and HB 2536 due to the improvements this legislation will make to the process of plugging abandoned oil and gas wells in the state of Kansas.

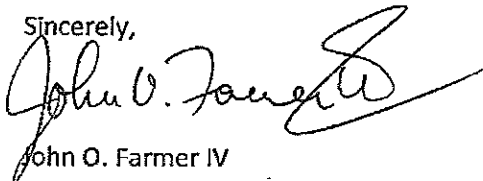
There are over twenty thousand abandoned wells in this state. However, the vast majority of them were drilled prior to 1996. As the law currently stands, the funds sitting in the Well Plugging Assurance Fund are designated only for the plugging of wells drilled after 1996. By combining the post-1996 Well Plugging Assurance Fund with the pre-1996 Abandoned Oil and Gas Well Fund, more resources will be made available to plug the many pre-1996 abandoned wells in the state. Increasing the rate at which abandoned wells can be plugged is beneficial to all Kansans.

HB 2536 clarifies the identification of responsible parties with respect to abandoned wells. Providing certainty regarding plugging liability will ensure that there is a common understanding as to which parties are required to pay for the plugging of an abandoned well. Removing this uncertainty will negate the need for endless battles in the courts to determine liability. This should expedite the process of well plugging in the future.

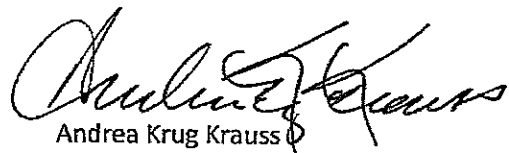
Also included in HB 2536 is a mechanism to allow other interested parties to seek reimbursement for properly plugging abandoned wells. This will be a significant incentive for landowners to take on the responsibility of plugging abandoned wells on their land. This should also lead to an increase in the rate at which abandoned wells are plugged in Kansas.

Members of the Kansas oil and gas industry are landowners. They are hunters. They like to fish. They appreciate the beauty of the Kansas landscape as much as any other Kansan. They want to ensure that their family members can enjoy the bounties of the land for generations to come. And, the vast majority of Kansas oil and gas operators take their responsibility as stewards of our lands very seriously. Anyone who is interested in environmental stewardship should be in favor of the passage of all three of these bills.

Sincerely,



John O. Farmer IV
President
John O. Farmer, Inc.
Russell, KS



Andrea Krug Krauss
Secretary/Treasurer
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